



General Assembly

Distr.: Limited
5 December 2007

Original: English

Sixty-second session

Second Committee

Agenda item 52 (c)

**Macroeconomic policy questions: external debt crisis
and development**

**Draft resolution submitted by the Vice-Chairman of the Committee,
Peter Le Roux (South Africa), on the basis of informal consultations held
on draft resolution A/C.2/62/L.2**

External debt and development: towards a durable solution to the debt problems of developing countries

The General Assembly,

Recalling its resolutions 58/203 of 23 December 2003, 59/223 of 22 December 2004, 60/187 of 22 December 2005 and 61/188 of 20 December 2006 on external debt crisis and development,

Recalling also the International Conference on Financing for Development and its outcome,¹ which recognizes sustainable debt financing as an important element for mobilizing resources for public and private investment,

Recalling further the United Nations Millennium Declaration adopted on 8 September 2000,²

*Recalling the 2005 World Summit Outcome,*³

Recalling also its resolution 60/265 of 30 June 2006 on follow-up to the development outcome of the 2005 World Summit, including the Millennium Development Goals and other internationally agreed development goals,

Recalling further its resolution 57/270 B of 23 June 2003,

Reaffirming that each country must take primary responsibility for its own development and that the role of national policies and development strategies,

¹ *Report of the International Conference on Financing for Development, Monterrey, Mexico, 18-22 March 2002* (United Nations publication, Sales No. E.02.II.A.7), chap. I, resolution I, annex.

² See resolution 55/2.

³ See resolution 60/1.



including in the area of debt management, cannot be overemphasized in the achievement of sustainable development, and recognizing that national efforts should be complemented by supportive global programmes, measures and policies aimed at expanding the development opportunities of developing countries, while taking into account national conditions and ensuring respect for national ownership, strategies and sovereignty,

Emphasizing that debt sustainability is essential for underpinning growth, and underlining the importance of debt sustainability and effective debt management to the efforts to achieve national development goals, including the Millennium Development Goals, and that countries should direct those financial resources freed through debt relief, in particular through debt reduction and cancellation, towards activities consistent with poverty eradication, sustained economic growth and sustainable development and the achievement of the internationally agreed development goals, including the Millennium Development Goals,

Noting with appreciation that the Multilateral Debt Relief Initiative and bilateral donors have provided significant debt relief to 22 heavily indebted poor countries that have reached the completion point under the enhanced Heavily Indebted Poor Countries Initiative,⁴

Noting with satisfaction the improvement in the external debt situation of heavily indebted poor countries but concerned that there remains a number of low- and middle-income developing countries that are still facing difficulties in finding a durable solution to their external debt problems, which could adversely affect their sustainable development,

Welcoming the fact that the Heavily Indebted Poor Countries Initiative and the Multilateral Debt Relief Initiative have enabled heavily indebted poor countries to increase their expenditures on health, education and other social services consistent with national priorities, development plans and internationally agreed development goals, including the Millennium Development Goals,

Stressing the importance of addressing the challenges of those heavily indebted poor countries that are facing difficulties in reaching the completion point under the Heavily Indebted Poor Countries Initiative, and expressing concern that some heavily indebted poor countries continue to face substantial debt burdens and need to avoid rebuilding unsustainable debt burdens after reaching the completion point under the Initiative,

Convinced that enhanced market access for goods and services of export interest to developing countries contributes significantly to debt sustainability in those countries,

1. *Takes note* of the report of the Secretary-General;⁵

⁴ Debt relief under the two initiatives is expected to reduce the debt stocks of the 29 heavily indebted poor countries that have reached the decision point by almost 90 per cent. "Heavily Indebted Poor Countries (HIPC) Initiative and Multilateral Debt Relief Initiative (MDRI) — Status of Implementation", prepared by the staffs of the International Development Association and the International Monetary Fund (August 2006).

⁵ A/62/151.

2. *Emphasizes* the special importance of a timely, effective, comprehensive and durable solution to the debt problems of developing countries, since debt financing and relief can contribute to economic growth and development;

3. *Also emphasizes* that creditors and debtors must share responsibility for preventing unsustainable debt situations;

4. *Reiterates* that debt sustainability depends on a confluence of many factors at the international and national levels, emphasizes that country-specific circumstances and the impact of external shocks should continue to be taken into account in debt sustainability analyses, underscores the fact that no single indicator should be used to make definitive judgements about debt sustainability, and, in this regard, while acknowledging the need to use transparent and comparable indicators, invites the International Monetary Fund and the World Bank, in their assessment of debt sustainability, to take into account fundamental changes caused by, inter alia, natural disasters, conflicts and changes in global growth prospects or in the terms of trade, especially for commodity-dependent developing countries, as well as by the impact of developments in financial markets, and to continue to provide information on this issue using existing cooperation forums, including those involving Member States;

5. *Underlines* the fact that the long-term sustainability of debt depends, inter alia, on the economic growth, mobilization of domestic resources and export prospects of debtor countries and, hence, on the creation of an enabling international environment conducive to development, progress in following sound macroeconomic policies, transparent and effective regulatory frameworks and success in overcoming structural development problems;

6. *Notes with appreciation* the progress under the Heavily Indebted Poor Countries Initiative and Multilateral Debt Relief Initiative, calls for their full and timely implementation and the provision of additional resources to ensure that the financial capacity of the international financial institutions is not reduced, and stresses the need for all creditors, including non-Paris Club and commercial creditors, to participate on an equitable basis;

7. *Emphasizes* in this regard that debt relief does not replace other sources of financing;

8. *Urges* donors to ensure that their commitments to the Multilateral Debt Relief Initiative and the Heavily Indebted Poor Countries Initiative be additional to existing aid flows, underlines that full compensation by donors on the basis of fair burden-sharing for the Multilateral Debt Relief Initiative costs of relevant financial institutions is essential, calls for continued support to countries to complete the Heavily Indebted Poor Countries Initiative process, and encourages all parties, both creditors and debtors, to fulfil their commitments as rapidly as possible in order to complete the debt relief process;

9. *Notes with concern* that, in spite of the progress achieved, some countries that have reached the completion point of the Heavily Indebted Poor Countries Initiative have not been able to achieve lasting debt sustainability, stresses the importance of promoting responsible borrowing and lending and the need to help those countries to manage their borrowing and to avoid a build-up of unsustainable debt, including through capacity-building in the area of debt management and the use of grants and concessional loans, underscores the important role of the joint

Debt Sustainability Framework of the International Monetary Fund and the World Bank for low-income countries in guiding borrowing and lending decisions, and encourages continued review of the Framework, with the full engagement of borrower Governments in an open and transparent manner;

10. *Encourages* further improving the mutual exchange of information, on a voluntary basis, on borrowing and lending among all creditors and borrowers;

11. *Reiterates its invitation* to the World Bank and the International Monetary Fund to keep the overall implications of the Debt Sustainability Framework for low-income countries under review, calls for transparency in the computation of the country policy and institutional assessments, and takes note of the disclosure of the country performance ratings of the International Development Association that form part of the Framework;

12. *Welcomes and encourages* the efforts of the heavily indebted poor countries, calls upon them to continue to strengthen their domestic policies and economic management, inter alia through poverty reduction strategies, and to create a domestic environment conducive to private-sector development, economic growth and poverty reduction, including a stable macroeconomic framework, transparent and accountable systems of public finance, a sound business climate and a predictable investment climate, and in this regard invites creditors, both private and public, that are not yet fully participating in debt relief initiatives, to substantially increase their participation, including by providing comparable treatment to the extent possible to debtor countries that have concluded sustainable debt relief agreements with creditors, and invites the international financing institutions and the donor community to continue to provide adequate and sufficiently concessional financing;

13. *Stresses* that debt relief can play a key role in liberating resources that should be directed towards activities consistent with poverty eradication, sustained economic growth, sustainable development and the achievement of the internationally agreed development goals, including the Millennium Development Goals, and in this regard urges countries to direct those resources freed through debt relief, in particular through debt cancellation and reduction, towards those objectives;

14. *Calls for* the consideration of additional measures and initiatives aimed at ensuring long-term debt sustainability through increased grant-based financing, cancellation of 100 per cent of the eligible official multilateral and bilateral debt of heavily indebted poor countries and, where appropriate, and on a case-by-case basis, significant debt relief or restructuring for low- and middle-income developing countries with an unsustainable debt burden that are not part of the Heavily Indebted Poor Countries Initiative, as well as the exploration of mechanisms to comprehensively address the debt problems of those countries;

15. *Encourages* the Paris Club, in dealing with the debt of low- and middle-income debtor countries that are not part of the Heavily Indebted Poor Countries Initiative to take into account their medium-term debt sustainability in addition to their financing gaps, and takes note with appreciation of the Evian approach of the Paris Club in providing terms of debt relief tailored to the specific needs of debtor countries while preserving debt cancellation for heavily indebted poor countries;

16. *Stresses* the need to significantly address the debt problems of middle-income developing countries, and in this regard stresses the importance of the Evian approach of the Paris Club as a practical means to address this issue, and notes that the current debt sustainability framework used to analyse the debt situation of middle-income countries focuses mostly on medium-term debt dynamics;

17. *Notes* that several developing countries have been able to reduce their external public debt by issuing more domestic debt to pay off foreign currency liabilities, appreciates that while this switch in debt structure substantially reduces the foreign exchange risk of public debt liabilities, the levels of domestic debt could create other challenges for macroeconomic management and public debt sustainability, and calls for a reinforcing capacity to manage the new levels of domestic debt in order to maintain the overall public debt sustainability;

18. *Also notes* that some low- and middle-income developing countries that are not included in existing debt relief initiatives also experience constraints in mobilizing the resources needed to achieve the internationally agreed development goals;

19. *Invites* creditors and debtors to continue to use, where appropriate and on a case-by-case basis, mechanisms such as debt swaps for alleviating the debt burden of low- and middle-income developing countries with an unsustainable debt burden that are not eligible for the Heavily Indebted Poor Countries Initiative, and takes note of the discussions and assessment by the Paris Club of the proposal for "Debt for Equity in Millennium Development Goal Projects";

20. *Stresses* the need to continue to take effective measures, preferably within the existing frameworks, to address the debt problems of the least developed countries, including through cancellation of the multilateral and bilateral debt owed by least developed countries to creditors, both public and private;

21. *Invites* donor countries, taking into account country-specific debt sustainability analyses, to continue their efforts to increase bilateral grants to developing countries, which could contribute to debt sustainability in the medium to long term, and recognizes the need for countries to be able to invest, inter alia, in health and education while maintaining debt sustainability;

22. *Notes* that credit rating agencies play an important role in determining countries' access to international capital markets and the cost of such borrowing, and, in this regard, calls upon the international financial and banking institutions to consider enhancing the transparency of risk rating mechanisms, and notes that sovereign risk assessments made by the private sector should maximize the use of strict, objective and transparent parameters, which can be facilitated by high-quality data and analysis;

23. *Welcomes* the efforts of, and calls upon the international community to provide flexibility, and stresses the need to continue those efforts in helping post-conflict developing countries, especially those that are heavily indebted and poor, to achieve initial reconstruction for economic and social development;

24. *Also welcomes* the efforts of and invites creditors to provide flexibility to developing countries affected by natural disasters on a case-by-case basis so as to allow them to address their debt concerns;

25. *Further welcomes* the efforts of and calls upon the international community to support institutional capacity-building in developing countries for the management of financial assets and liabilities and to enhance sustainable debt management as an integral part of national development strategies;

26. *Invites* the United Nations Conference on Trade and Development, the International Monetary Fund and the World Bank, in cooperation with the regional commissions, development banks and other relevant multilateral financial institutions and stakeholders, to continue cooperation in respect of capacity-building activities in developing countries in the area of debt management and debt sustainability;

27. *Invites* the international community, including the United Nations system, to continue efforts to increase financial support in respect of capacity-building activities for developing countries in the area of debt management and debt sustainability, and encourages countries to create transparent and accountable debt management systems;

28. *Calls upon* all Member States and the United Nations system, and invites the Bretton Woods institutions and the private sector, to take appropriate measures and actions for the implementation of the commitments, agreements and decisions of the major United Nations conferences and summits, in particular those related to the question of the external debt problems of developing countries;

29. *Requests* the Secretary-General to submit to the General Assembly at its sixty-third session a report on the implementation of the present resolution and to include in that report a comprehensive and substantive analysis of the external debt situation and debt-servicing problems of developing countries and a review of debt management capacity-building efforts, particularly those of the United Nations system;

30. *Decides* to include in the provisional agenda of its sixty-third session, under the item entitled "Macroeconomic policy questions", a sub-item entitled "External debt and development: towards a durable solution to the debt problems of developing countries".



General Assembly

Distr.: Limited
6 December 2007

Original: English

**Sixty-second session
Second Committee**

Agenda item 57 (a)

**Groups of countries in special situations: Third United Nations
Conference on the Least Developed Countries**

Draft resolution submitted by the Rapporteur of the Committee, Tamar Tchitanava (Georgia), on the basis of informal consultations held on draft resolution A/C.2/62/L.24

**Third United Nations Conference on the Least
Developed Countries**

The General Assembly,

Recalling the Brussels Declaration¹ and the Programme of Action for the Least Developed Countries for the Decade 2001-2010,²

Recalling also the United Nations Millennium Declaration,³ in particular paragraph 15 thereof, in which the Heads of State and Government undertook to address the special needs of the least developed countries,

Recalling further its resolution 57/270 B of 23 June 2003 on the integrated and coordinated implementation of and follow-up to the outcomes of the major United Nations conferences and summits in the economic and social fields,

Recalling the 2005 World Summit Outcome,⁴

Recalling also its resolutions 61/211 of 20 December 2006 and 61/1 of 19 September 2006,

Reaffirming its resolution 60/265 of 30 June 2006 on the follow-up to the development outcome of the 2005 World Summit, including the Millennium Development Goals and the other internationally agreed development goals,

Taking note of the Ministerial Declaration of the high-level segment of the substantive session of 2004 of the Economic and Social Council on the theme

¹ A/CONF.191/13, chap. I.

² Ibid., chap. II.

³ See resolution 55/2.

⁴ See resolution 60/1.



"Resources mobilization and enabling environment for poverty eradication in the context of the implementation of the Programme of Action for the Least Developed Countries for the Decade 2001-2010",⁵

Taking note also of the Istanbul Declaration on the Least Developed Countries: Time for Action,⁶ adopted at the Ministerial Conference of Least Developed Countries held in Istanbul on 9 and 10 July 2007 on the theme "Making globalization work for least developed countries",

Reaffirming that the Programme of Action constitutes a fundamental framework for a strong global partnership, whose goal is to accelerate sustained economic growth, sustainable development and poverty eradication in the least developed countries,

1. *Takes note of the report of the Secretary-General on the implementation of the Programme of Action for the Least Developed Countries for the Decade 2001-2010;⁷*

2. *Also takes note of the report of the Secretary-General on the advocacy strategy on the effective and timely implementation of the Programme of Action for the Least Developed Countries for the Decade 2001-2010;⁸*

3. *Welcomes the contributions made in the lead-up to the midterm comprehensive global review of the implementation of the Programme of Action for the Least Developed Countries for the Decade 2001-2010,² including the elaboration of the Cotonou Strategy for the Further Implementation of the Programme of Action for the Least Developed Countries for the Decade 2001-2010⁹ as an initiative owned and led by the least developed countries;*

4. *Reaffirms its commitment to the Declaration¹⁰ adopted by Heads of State and Government and heads of delegations participating in the high-level meeting of the General Assembly on the midterm comprehensive global review of the implementation of the Programme of Action, in which they recommitted themselves to addressing the special needs of the least developed countries by making progress towards the goals of poverty eradication, peace and development;*

5. *Remains concerned over the insufficient and uneven progress achieved in the implementation of the Programme of Action, and stresses the need to address, within the time frame set forward by the Programme of Action, areas of weakness in its implementation and the continued precarious socio-economic situation in some least developed countries through a strong commitment to the objectives, goals and targets of the Programme of Action;*

6. *Welcomes the continued economic progress of many least developed countries, which has led to the fact that a number of countries are proceeding towards graduation from the list of least developed countries;*

⁵ See *Official Records of the General Assembly, Fifty-ninth Session, Supplement No. 3* (A/59/3/Rev.1), chap. III, para. 49.

⁶ A/62/216, annex.

⁷ A/62/79-E/2007/63 and Corr.1.

⁸ A/62/322.

⁹ A/61/117, annex I.

¹⁰ See resolution 61/1.

7. *Stresses* that the internationally agreed development goals, including the Millennium Development Goals, can be effectively achieved in the least developed countries through, in particular, the timely fulfilment of the seven commitments of the Programme of Action;

8. *Reaffirms* that progress in the implementation of the Programme of Action will require effective implementation of national policies and priorities for the sustained economic growth and sustainable development of the least developed countries, as well as strong and committed partnership between those countries and their development partners;

9. *Underscores* the fact that, for the further implementation of the Programme of Action, the least developed countries and their development partners must be guided by an integrated approach, a broader genuine partnership, country ownership, market considerations and results-oriented actions encompassing:

- (a) Fostering a people-centred policy framework;
- (b) Ensuring good governance at both the national and international levels as essential for the implementation of the commitments embodied in the Programme of Action;
- (c) Building human and institutional capacities;
- (d) Building productive capacities to make globalization work for the least developed countries;
- (e) Enhancing the role of trade in development;
- (f) Reducing vulnerability and protecting the environment;
- (g) Mobilizing financial resources;

10. *Urges* the least developed countries to strengthen the implementation of the Programme of Action through their respective national development framework, including, where they exist, Poverty Reduction Strategy Papers, the common country assessment and the United Nations Development Assistance Framework;

11. *Urges* development partners to fully implement, in a timely manner, commitments in the Brussels Programme of Action and to exercise individual best efforts to continue to increase their financial and technical support for its implementation;

12. *Also urges* development partners to continue to support the efforts of countries graduating from the list of least developed countries in order to better promote their further integration into the world economy, to sustain their development process and to avoid any disruption therein, including within the framework of the smooth transition strategy;

13. *Encourages* the United Nations Resident Coordinator system, the Bretton Woods institutions, bilateral and multilateral donors and other development partners to assist the least developed countries in translating goals and targets of the Programme of Action into concrete actions in the light of their national development priorities;

14. *Invites* the organizations of the United Nations system and other multilateral organizations that have not yet done so to mainstream the

implementation of the Brussels Declaration¹ and the Programme of Action within their programmes of work as well as in their intergovernmental processes and to undertake within their respective mandates multi-year programming of actions in favour of the least developed countries;

15. *Stresses*, within the context of the annual global reviews, as envisaged in the Programme of Action, the need to assess the implementation of the Programme of Action sector by sector, and in this regard invites the United Nations system and all relevant international organizations, consistent with their respective mandates, to report on the progress made in its implementation using quantifiable criteria and indicators to be measured against the goals and targets of the Programme of Action and to participate fully in reviews of the Programme of Action at the national, subregional, regional and global levels;

16. *Also stresses* the crucial importance of integrated and coordinated follow-up, monitoring and reporting for the effective implementation of the Programme of Action at the national, subregional, regional and global levels;

17. *Requests*, in this regard, the Secretary-General to ensure, at the Secretariat level, the full mobilization and coordination of all parts of the United Nations system to facilitate coordinated implementation as well as coherence in the follow-up to and monitoring and review of the Programme of Action at the national, subregional, regional and global levels, including through such coordination mechanisms as the United Nations System Chief Executives Board for Coordination, the United Nations Development Group, the Executive Committee on Economic and Social Affairs and the Inter-agency Expert Group on the Millennium Development Goals Indicators;

18. *Reiterates its invitation* to the organs, organizations and bodies of the United Nations system, and other relevant multilateral organizations, to provide full support to and cooperate with the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States;

19. *Reiterates its request* to the Secretary-General to include the least developed countries in all relevant reports in the economic, social and related fields in order to ensure the follow-up of their development in the broader context of the world economy and contribute to preventing their further marginalization;

20. *Expresses its concern* about the insufficiency of resources in the trust fund established for the participation of the least developed countries in the annual review of the implementation of the Programme of Action by the Economic and Social Council;

21. *Reiterates* the critical importance of the participation of Government representatives from the least developed countries in the annual review of the Programme of Action by the Economic and Social Council, expresses, in this regard, its deep appreciation to those countries that have made voluntary contributions to the special trust fund established for this purpose by the Secretary-General, invites donor countries to continue to support the participation of two representatives from each least developed country in the annual review of the implementation of the Programme of Action, including by contributing in an adequate and timely manner to the special trust fund, and requests the Secretary-General to intensify his efforts

to mobilize the necessary resources in order to ensure that the trust fund is adequately resourced;

22. *Recalls* paragraph 114 of the Brussels Programme of Action on holding a fourth United Nations Conference on the Least Developed Countries towards the end of the current decade and, in this regard, requests the Secretary-General to prepare a note during the sixty-second session of the General Assembly outlining the modalities of such a conference, including its preparatory process, and also, in this regard, invites Member States to consider hosting that conference;

23. *Requests* the Secretary-General to take appropriate measures for the implementation of the advocacy strategy,⁸ in coordination with all relevant stakeholders;

24. *Also requests* the Secretary-General to submit an annual analytical and results-oriented progress report on the further implementation of the Programme of Action and to make available adequate resources, within existing resources, for the preparation of such a report.



General Assembly

Distr.: Limited
6 December 2007

Original: English

Sixty-second session

Second Committee

Agenda item 53

**Follow-up to and implementation of the outcome of the
International Conference on Financing for Development**

**Draft resolution submitted by the Chairperson of the Second Committee on the
basis of informal consultations held on draft resolution A/C.2/62/L.37**

Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus

The General Assembly,

Recalling the International Conference on Financing for Development, held in Monterrey, Mexico, from 18 to 22 March 2002, and its resolutions 56/210 B of 9 July 2002, 57/250 of 20 December 2002, 57/270 B of 23 June 2003, 57/272 and 57/273 of 20 December 2002, 58/230 of 23 December 2003, 59/225 of 22 December 2004, 60/188 of 22 December 2005 and 61/191 of 20 December 2006, as well as Economic and Social Council resolutions 2002/34 of 26 July 2002, 2003/47 of 24 July 2003, 2004/64 of 16 September 2004, 2006/45 of 28 July 2006 and 2007/30 of 27 July 2007,

Recalling also the 2005 World Summit Outcome,¹

Recalling further its resolution 60/265 of 30 June 2006 on the follow-up to the development outcome of the 2005 World Summit, including the Millennium Development Goals and the other internationally agreed development goals, and its resolution 61/16 of 20 November 2006 on the strengthening of the Economic and Social Council,

Taking note of the reports of the Secretary-General,²

Noting the summary by the President of the General Assembly of the High-level Dialogue on Financing for Development, held in New York from 23 to 25 October 2007,³

¹ See resolution 60/1.

² A/62/217 and A/62/190.

³ A/62/550.



Noting also the summary by the President of the Economic and Social Council of the special high-level meeting of the Council with the Bretton Woods institutions, the World Trade Organization and the United Nations Conference on Trade and Development, held in New York on 16 April 2007,⁴

Welcoming with appreciation the offer of the Government of Qatar to host the follow-up international conference to review the implementation of the outcome of the International Conference on Financing for Development, in accordance with paragraph 73 of the Monterrey Consensus⁵ and its resolutions 60/188 and 61/191,

Taking note of the steps taken by the President of the General Assembly at its sixty-first session to initiate direct intergovernmental consultations of the whole, with the participation of all Member States and the major institutional stakeholders involved in the financing for development process, on all issues related to the review conference,

1. *Decides* that the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus:

- (a) Will be held in Doha from 29 November to 2 December 2008;
- (b) Will be held at the highest possible political level, including the participation of Heads of State or Government, ministers, special representatives and other representatives, as appropriate;
- (c) Will include plenary meetings and six interactive multi-stakeholder round tables on the themes based on the six major thematic areas of the Monterrey Consensus;⁵
- (d) Will result in an intergovernmentally agreed outcome;
- (e) Will also result in summaries of the plenary meetings and of the round-table discussions, to be included in the report of the conference;

2. *Reiterates* that the Review Conference should assess progress made, reaffirm goals and commitments, share best practices and lessons learned and identify obstacles and constraints encountered, actions and initiatives to overcome them and important measures for further implementation, as well as new challenges and emerging issues;

3. *Reaffirms its resolve* to continue to make full use of the existing institutional arrangements for reviewing the implementation of the Monterrey Consensus, as set out in paragraph 69 of the Consensus and in line with resolution 57/270 B, including the high-level dialogues convened by the General Assembly and the spring meetings of the Economic and Social Council with the Bretton Woods institutions, the World Trade Organization and the United Nations Conference on Trade and Development, bearing in mind the need to enhance the effectiveness of the follow-up process of the Monterrey Consensus;

4. *Stresses* the importance of the full involvement of all relevant stakeholders in the implementation of the Monterrey Consensus at all levels, and

⁴ A/62/76-E/2007/55 and Corr.1.

⁵ *Report of the International Conference on Financing for Development, Monterrey, Mexico, 18-22 March 2002* (United Nations publication, Sales No. E.02.II.A.7), chap. I, resolution 1, annex.

also stresses the importance of their full participation in the Monterrey follow-up process, in accordance with the rules of procedure of the General Assembly, in particular the accreditation procedures and modalities of participation utilized at the Monterrey Conference and in its preparatory process;

5. *Invites* non-governmental organizations and business sector entities to participate in the Review Conference and its preparatory process, in accordance with the rules of procedure of the General Assembly, in particular the accreditation procedures and modalities of participation utilized at the Monterrey Conference and in its preparatory process, and decides that:

(a) Registration will be open to all non-governmental organizations that are in consultative status with the Economic and Social Council and to all non-governmental organizations and business sector entities accredited to the International Conference on Financing for Development or to its follow-up process;

(b) Interested non-governmental organizations and business sector entities that are not in consultative status with the Economic and Social Council or were not accredited to the International Conference on Financing for Development shall apply to the General Assembly for accreditation following the accreditation procedure established during the International Conference;

(c) The above arrangements concerning participation of non-governmental organizations and business sector entities in the Review Conference and its preparatory process will in no way create a precedent for meetings of the General Assembly;

6. *Reaffirms* the special role that the international financial and trade institutions, in particular the major institutional stakeholders in the financing for development process, are invited to play in all aspects of the Review Conference, including their active involvement in its preparatory work, following the experience of the Monterrey Conference;

7. *Calls upon* the regional commissions, with the support of regional development banks and other relevant entities, to hold regional consultations, as appropriate, during the first half of 2008, to serve as inputs to the preparation of the Review Conference;

8. *Requests* the President of the General Assembly at its sixty-second session to continue direct intergovernmental consultations of the whole with the participation of all States and the major institutional stakeholders involved in the financing for development process on all issues related to the Review Conference, and decides that these consultations must be scheduled in advance and must be open, inclusive and transparent;

9. *Also requests* the President of the General Assembly to provide a programme of work, from within existing resources, taking into account relevant meetings scheduled for 2008 and their outcomes, including six substantive informal review sessions of the whole on the six thematic areas of the Monterrey Consensus, of a maximum duration of eleven working days plus one working day for informal interactive hearings, with representatives of civil society and the business sector during the period from January to June 2008, to be followed by informal consultations on the contents of the outcome document of the Review Conference, with the view to presenting the first draft outcome document by the end of July

2008, followed by informal consultations and drafting sessions, as required, in the period from September 2008 until the holding of the Review Conference;

10. *Further requests* the President of the General Assembly, with the support of the Secretariat of the United Nations, to prepare informal summaries of the review sessions referred to in paragraph 9 above, as an input to the preparations of the Review Conference;

11. *Invites* Governments and all relevant stakeholders, including the World Bank, the International Monetary Fund, the World Trade Organization, the United Nations Conference on Trade and Development, the United Nations Development Programme, regional development banks and all other relevant regional bodies, to provide substantive inputs to the preparatory process of the Review Conference, including the activities referred to in paragraph 9 above;

12. *Invites* donor Governments and other relevant stakeholders to continue to provide extrabudgetary resources, in particular through voluntary contributions to the Trust Fund for the Follow-up to the International Conference on Financing for Development, in order to support activities in preparation of the Review Conference in 2008, and to support the travel and participation of representatives of developing countries, in particular least developed countries;

13. *Requests* the Secretary-General to submit by the end of July 2008, a report on the latest developments related to the review process on financing for development and the implementation of the Monterrey Consensus;

14. *Also requests* the Secretary-General to prepare a note on the organization of work of the Review Conference;

15. *Decides* to include in the provisional agenda of its sixty-third session an item entitled "Follow-up to and implementation of the outcome of the 2002 International Conference on Financing for Development and the preparation of the 2008 Review Conference".



General Assembly

Distr.: Limited
6 December 2007

Original: English

Sixty-second session

Second Committee

Agenda item 56 (a)

Globalization and interdependence

**Draft resolution submitted by the Vice-Chairman of the Committee,
Hassan Ali Saleh (Lebanon), on the basis of informal consultations held
on draft resolution A/C.2/62/L.25**

**Role of the United Nations in promoting development in the
context of globalization and interdependence**

The General Assembly,

Recalling its resolutions 53/169 of 15 December 1998, 54/231 of 22 December 1999, 55/212 of 20 December 2000, 56/209 of 21 December 2001, 57/274 of 20 December 2002, 58/225 of 23 December 2003, 59/240 of 22 December 2004, 60/204 of 22 December 2005 and 61/207 of 20 December 2006 on the role of the United Nations in promoting development in the context of globalization and interdependence,

Recalling also its resolution 57/270 B of 23 June 2003 on the integrated and coordinated implementation of and follow-up to the outcomes of the major United Nations conferences and summits in the economic and social fields,

Recalling further the 2005 World Summit Outcome¹ and all relevant General Assembly resolutions, in particular those that have built upon the 2005 World Summit Outcome, in the economic, social and related fields, including General Assembly resolution 60/265 of 30 June 2006 on follow-up to the development outcome of the 2005 World Summit, including the Millennium Development Goals and the other internationally agreed development goals,

Emphasizing the need to fully implement the global partnership for development and enhance the momentum generated by the 2005 World Summit in order to operationalize and implement the commitments made in the outcomes of the major United Nations conferences and summits, including the 2005 World Summit, in the economic, social and related fields,

¹ See resolution 60/1.



Reaffirming that development is a central goal by itself and that sustainable development in economic, social and environmental aspects constitutes a key element of the overarching framework of the United Nations,

Recognizing that all human rights are universal, indivisible, interdependent and interrelated,

Reaffirming that the United Nations has a central role in promoting international cooperation for development and in promoting policy coherence on global development issues, including in the context of globalization and interdependence,

Reaffirming also the resolve expressed in the United Nations Millennium Declaration² to ensure that globalization becomes a positive force for all the world's people,

Recognizing that globalization, driven largely by economic liberalization and technology, implies that the economic performance of a country is increasingly affected by factors outside its geographical borders and that maximizing in an equitable manner the benefits of globalization requires developing responses to globalization through a strengthened global partnership for development to achieve the internationally agreed development goals, including the Millennium Development Goals,

Reaffirming the commitment to eradicate poverty and hunger and promote sustained economic growth, sustainable development and global prosperity for all and to promote the development of the productive sectors in developing countries to enable them to participate more effectively in and benefit from the process of globalization,

Reaffirming also its strong support for fair globalization and the need to translate growth into reduction of poverty and, in this regard, its resolve to make the goals of full and productive employment and decent work for all, including for women and young people, a central objective of relevant national and international policies as well as national development strategies, including poverty reduction strategies, as part of efforts to achieve the Millennium Development Goals,

Noting that particular attention must be given, in the context of globalization, to the objective of protecting, promoting and enhancing the rights and welfare of women and girls, as stated in the Beijing Declaration and Platform for Action,³

Reaffirming its commitment to governance, equity and transparency in the financial, monetary and trading systems and its commitment to open, equitable, rule-based, predictable and non-discriminatory multilateral trading and financial systems,

Reaffirming also the importance of migration as a phenomenon accompanying increased globalization, including its impact on economies, and aware of the fact that all countries are impacted by international migration, and hence stressing the crucial importance of dialogue and cooperation so as to better understand the international migration phenomenon, including its gender perspective, and to

² See resolution 55/2.

³ *Report of the Fourth World Conference on Women, Beijing, 4-15 September 1995* (United Nations publication, Sales No. E.96.IV.13), chap. I, resolution I, annexes I and II.

identify appropriate ways and means to maximize its development benefits and minimize its negative impacts,

1. *Takes note* of the report of the Secretary-General;⁴
2. *Recognizes* that some countries have successfully adapted to the changes and benefited from globalization, but that many others, especially the least developed countries, have remained marginalized in the globalizing world economy, and recognizes also that, as stated in the Millennium Declaration,² the benefits are very unevenly shared while costs are unevenly distributed;
3. *Also recognizes* that domestic economies are now interwoven with the global economy and that globalization affects all countries in different ways, and that countries on the one hand have trade and investment opportunities to, inter alia, fight poverty, while on the other face constraints in the degree of flexibility they have in pursuing their national development strategies;
4. *Underlines* that, while all countries face such constraints, developing countries, in particular, the least developed countries, landlocked developing countries, small island developing States and African countries, have greater difficulties in balancing international obligations, processes and rules with their national development strategies;
5. *Also underlines* that, in addressing the linkages between globalization and sustainable development, particular focus should be placed on identifying and implementing mutually reinforcing policies and practices that promote sustained economic growth, social development and environmental protection and that this requires efforts at both the national and international levels;
6. *Further underlines* the fact that the increasing interdependence of national economies in a globalizing world and the emergence of rule-based regimes for international economic relations have meant that the space for national economic policy, that is, the scope for domestic policies, especially in the areas of trade, investment and industrial development, is now often framed by international disciplines, commitments and global market considerations, that it is for each Government to evaluate the trade-off between the benefits of accepting international rules and commitments and the constraints posed by the loss of policy space, and that it is particularly important for developing countries, bearing in mind development goals and objectives, that all countries take into account the need for appropriate balance between national policy space and international disciplines and commitments, and in this regard notes with appreciation the work of the United Nations Conference on Trade and Development on the concept of policy space, as articulated in the São Paulo Consensus⁵ and the World Summit Outcome;¹
7. *Reaffirms* that good governance is essential for sustainable development, that sound economic policies, solid democratic institutions responsive to the needs of the people and improved infrastructure are the basis for sustained economic growth, poverty eradication and employment creation, and that freedom, peace and security, domestic stability, respect for human rights, including the right to development, and the rule of law, gender equality, market-oriented policies and an

⁴ A/62/303.

⁵ TD/412, part II.

overall commitment to just and democratic societies are also essential and mutually reinforcing;

8. *Also reaffirms* that good governance at the international level is fundamental for achieving sustainable development, that, in order to ensure a dynamic and enabling international economic environment, it is important to promote global economic governance through addressing the international finance, trade, technology and investment patterns that have an impact on the development prospects of developing countries and that, to this end, the international community should take all necessary and appropriate measures, including ensuring support for structural and macroeconomic reform, a comprehensive solution to the external debt problem and increasing the market access of developing countries;

9. *Further reaffirms* that each country has primary responsibility for its own development, that the role of national policies and development strategies cannot be overemphasized in the achievement of sustainable development and that national efforts should be complemented by supportive global programmes, measures and policies aimed at expanding the development opportunities of developing countries, while taking into account national conditions and ensuring respect for national ownership, strategies and sovereignty;

10. *Underlines* that, while recognizing the commitment of developing countries to their international duties and obligations, internationally agreed rules and disciplines should take into account lessons learned and current developments in implementation in the light of the special situation of developing countries, and in this regard, reiterates the need for continuing flexibility and special provisions for developing countries as international financial and trade institutions formulate and implement rules and regulations to create an enabling international economic environment for sustained growth and broad based development;

11. *Stresses* that all countries need to maintain their right to pursue policies based on their social, political, economic and environmental conditions and that, in this regard, countries, in particular developing countries, need flexibility and national policy space that are compatible with their specific development conditions, taking into account international obligations, processes and rules;

12. *Acknowledges* the need for continuing flexibility and special provisions for developing countries in the multilateral trading system;

13. *Reaffirms* the commitment to broaden and strengthen the participation of developing countries and countries with economies in transition in international economic decision-making and norm-setting, stresses, to that end, the importance of continuing efforts to reform the international financial architecture, noting that enhancing the voice and participation of developing countries and countries with economies in transition in the Bretton Woods institutions remains a continuous concern, and calls in this regard for further and effective progress;

14. *Also reaffirms* the need for the United Nations to play a fundamental role in the promotion of international cooperation for development and the coherence, coordination and implementation of development goals and actions agreed upon by the international community, and resolves to strengthen coordination within the United Nations system in close cooperation with all other multilateral financial, trade and development institutions in order to support sustained economic growth, poverty eradication and sustainable development;

15. *Calls upon* the United Nations system to support the efforts of developing countries to enhance their capacities regarding the impact of international agreements on national development strategies;

16. *Requests* the Secretary-General to submit to the General Assembly, at its sixty-third session, a report on the theme "Impact of globalization on the achievement of the internationally agreed development goals, including the Millennium Development Goals" under the agenda item entitled "Globalization and interdependence";

17. *Decides* to include in the provisional agenda of its sixty-third session, under the item entitled "Globalization and interdependence", the sub-item entitled "Role of the United Nations in promoting development in the context of globalization and interdependence".



General Assembly

Distr.: Limited
6 December 2007

Original: English

Sixty-second session

Second Committee

Agenda item 56 (c)

Globalization and interdependence: preventing and combating corrupt practices and transfer of assets of illicit origin and returning such assets, in particular to the countries of origin, consistent with the United Nations Convention against Corruption

Draft resolution submitted by the Vice-Chairman of the Committee, Hassan Ali Saleh (Lebanon), on the basis of informal consultations held on draft resolution A/C.2/62/L.27

Preventing and combating corrupt practices and transfer of assets of illicit origin and returning such assets, in particular to the countries of origin, consistent with the United Nations Convention against Corruption

The General Assembly,

Recalling its resolutions 54/205 of 22 December 1999, 56/186 of 21 December 2001 and 57/244 of 20 December 2002, and recalling also its resolutions 58/205 of 23 December 2003, 59/242 of 22 December 2004, 60/207 of 22 December 2005 and 61/209 of 20 December 2006,

Welcoming the entry into force on 14 December 2005 of the United Nations Convention against Corruption,¹

Also welcoming the convening of the first session of the Conference of the States Parties to the United Nations Convention against Corruption, in Jordan, from 10 to 14 December 2006, and stressing the need for States parties to take steps to implement the outcome of that Conference,

Bearing in mind the importance of the work carried out by the open-ended intergovernmental expert working groups on asset recovery, review of implementation and technical assistance,

¹ Resolution 58/4, annex.

Recalling the Monterrey Consensus of the International Conference on Financing for Development,² which underlined that fighting corruption at all levels is a priority, and the Plan of Implementation of the World Summit on Sustainable Development ("Johannesburg Plan of Implementation"),³

Convinced that a stable and transparent environment for national and international commercial transactions in all countries is essential for the mobilization of investment, finance, technology, skills and other important resources, and recognizing that effective efforts at all levels to prevent and combat corruption in all its forms in all countries are essential elements of an improved national and international business environment,

Reiterating its concern about the seriousness of problems and threats posed by corruption to the stability and security of societies, undermining the institutions and the values of democracy, ethical values and justice and jeopardizing sustainable development and the rule of law, in particular when an inadequate national and international response leads to impunity,

Recognizing that fighting corruption at all levels is a priority and that corruption is a serious barrier to effective resource mobilization and allocation and diverts resources away from activities that are vital for poverty eradication, the fight against hunger, and economic and sustainable development,

Emphasizing the need for solid democratic institutions responsive to the needs of the people and the need to improve the efficiency, transparency and accountability of domestic administration and public spending and the rule of law, to ensure full respect for human rights, including the right to development, and to eradicate corruption and build sound economic and social institutions,

Recalling that the fight against all forms of corruption requires strong institutions at all levels, including at the local level, able to undertake efficient preventive and law enforcement measures consistent with the United Nations Convention against Corruption, in particular chapters II and III,

Recognizing the concern about the laundering and the transfer and/or transaction of assets of illicit origin derived from corruption, and stressing the need to address this concern consistent with the United Nations Convention against Corruption,

Concerned about the links between corruption in all its forms, including bribery, corruption-related money-laundering and the transfer of assets of illicit origin, and other forms of crime, in particular organized crime and economic crime,

Noting the particular concern of developing countries and countries with economies in transition regarding the return of assets of illicit origin derived from corruption, in particular to countries from which they originated, consistent with the principles of the United Nations Convention against Corruption, in particular

² *Report of the International Conference on Financing for Development, Monterrey, Mexico, 18-22 March 2002* (United Nations publication, Sales No. E.02.II.A.7), chap. I, resolution 1, annex.

³ *Report of the World Summit on Sustainable Development, Johannesburg, South Africa, 26 August-4 September 2002* (United Nations publication, Sales No. E.03.II.A.1 and corrigendum), chap. I, resolution 2, annex.

chapter V, in view of the importance that such assets can have to their sustainable development,

1. *Takes note* of the report of the Secretary-General;⁴
2. *Expresses concern* about the magnitude of corruption at all levels, including the scale of the transfer of assets of illicit origin derived from corruption, and in this regard reiterates its commitment to preventing and combating corrupt practices at all levels, consistent with the United Nations Convention against Corruption;¹
3. *Condemns* corruption in all its forms, including bribery, money-laundering and the transfer of assets of illicit origin;
4. *Encourages* all Governments to prevent, combat and penalize corruption in all its forms, including bribery, money-laundering and the transfer of illicitly acquired assets, and to work for the prompt return of such assets through asset recovery consistent with the principles of the United Nations Convention against Corruption, particularly chapter V;
5. *Invites* Member States to work on the identification and tracing of financial flows linked to corruption, the freezing or seizure of assets derived from corruption and the return of such assets, consistent with the United Nations Convention against Corruption, and encourages the promotion of human and institutional capacity-building in this regard;
6. *Stresses* the importance of mutual legal assistance, and encourages Member States to enhance international cooperation, consistent with the United Nations Convention against Corruption;
7. *Welcomes* the high number of Member States that have already ratified or acceded to the United Nations Convention against Corruption, in this regard urges all Member States and competent regional economic integration organizations, within the limits of their competence, that have not yet done so to consider ratifying or acceding to the Convention as a matter of priority, and calls upon all States parties to fully implement the Convention as soon as possible;
8. *Calls on* States parties, and encourages other Member States, to support the initiatives adopted at the first session of the Conference of States Parties to the United Nations Convention against Corruption, in particular the work carried out by the open-ended intergovernmental expert working groups on asset recovery, review of implementation and technical assistance in order to facilitate the full implementation of the Convention, and the review thereof, and in this regard stresses the importance of the adoption of relevant legislation consistent with the Convention;
9. *Encourages* Member States to support the various initiatives launched at the first session of the Conference of States Parties with a view to enhancing the capacity of States in the implementation of the United Nations Convention against Corruption;

⁴ A/62/116.

10. *Encourages* all States parties that have not yet done so to submit information through the self-assessment checklist as a follow-up mechanism to the first session of the Conference of States Parties;

11. *Welcomes* the efforts of Member States that have enacted laws and taken other positive measures in the fight against corruption in all its forms, including, in accordance with the United Nations Convention against Corruption, and in this regard encourages Member States that have not yet done so to enact such laws and to implement effective measures at the national level and, in accordance with domestic law and policies, at the local level, to prevent and combat corruption;

12. *Takes note* of the Stolen Asset Recovery Initiative of the United Nations Office on Drugs and Crime and the World Bank, and welcomes the cooperation of the Office on Drugs and Crime with relevant partners, including the International Centre for Asset Recovery;

13. *Urges* all Member States, consistent with the United Nations Convention against Corruption, to abide by the principles of proper management of public affairs and public property, fairness, responsibility and equality before the law and the need to safeguard integrity and to foster a culture of transparency, accountability and rejection of corruption;

14. *Encourages* Member States to provide adequate financial and human resources to the United Nations Office on Drugs and Crime, including for the effective implementation of the United Nations Convention against Corruption, and also encourages the Office to give high priority to technical cooperation, upon request, inter alia, to promote and facilitate the ratification, acceptance, approval of or accession to and the implementation of the Convention;

15. *Requests* the Secretary-General to continue to provide the United Nations Office on Drugs and Crime with the resources necessary to enable it to promote, in an effective manner, the implementation of the United Nations Convention against Corruption and to discharge its functions as the secretariat of the Conference of the States Parties to the Convention, in accordance with its mandate;

16. *Calls for* further international cooperation, inter alia, through the United Nations system, in support of national, subregional and regional efforts to prevent and combat corrupt practices and the transfer of assets of illicit origin, consistent with the principles of the United Nations Convention against Corruption;

17. *Reiterates its request* to the international community to provide, inter alia, technical assistance to support national efforts to strengthen human and institutional capacity aimed at preventing and combating corrupt practices and the transfer of assets of illicit origin as well as for asset recovery consistent with the principles of the United Nations Convention against Corruption, particularly chapter V, and to support national efforts in formulating strategies for mainstreaming and promoting transparency and integrity in both the public and private sectors;

18. *Encourages* all Member States that have not yet done so to require financial institutions to properly implement comprehensive due diligence and vigilance programmes, consistent with the principles of the United Nations Convention against Corruption and those of other relevant applicable instruments;

19. *Calls upon* the private sector, at both the international and the national levels, including small and large companies and transnational corporations, to remain fully engaged in the fight against corruption, welcomes the agreement to add anti-corruption as the tenth principle of the Global Compact, and emphasizes the need for all relevant stakeholders, including within the United Nations system, as appropriate, to continue to promote corporate responsibility and accountability;

20. *Takes note* of the generous offer of the Government of Indonesia to host the second session of the Conference of the States Parties to the United Nations Convention against Corruption at the Bali International Convention Centre, from 28 January to 1 February 2008, and invites all States parties and signatories to take measures aimed at promoting the full and effective implementation of the Convention;

21. *Requests* the Secretary-General to submit to the General Assembly at its sixty-third session, from within existing resources, a report on the implementation of the present resolution, also encompassing relevant reports from the second session of the Conference of States Parties to the United Nations Convention against Corruption;

22. *Decides* to include in the provisional agenda of its sixty-third session, under the item entitled "Globalization and interdependence", the sub-item entitled "Preventing and combating corrupt practices and transfer of assets of illicit origin and returning such assets, in particular to the countries of origin, consistent with the United Nations Convention against Corruption", bearing in mind the possibility of reviewing the future consideration of this sub-item.



General Assembly

Distr.: Limited
12 December 2007

Original: English

Sixty-second session
Second Committee

Agenda item 121

Revitalization of the work of the General Assembly

Draft programme of work of the Second Committee for the sixty-third session of the General Assembly

1. Permanent sovereignty of the Palestinian people in the Occupied Palestinian Territory, including East Jerusalem, and of the Arab population in the occupied Syrian Golan over their natural resources.
2. Information and communication technologies for development.
3. Macroeconomic policy questions:
 - (a) International trade and development;
 - (b) International financial system and development;
 - (c) External debt and development: towards a durable solution to the debt problems of developing countries;
 - (d) Commodities.
4. Follow-up to and implementation of the outcome of the 2002 International Conference on Financing for Development and the preparation of the 2008 Review Conference.
5. Sustainable development:
 - (a) Implementation of Agenda 21, the Programme for the Further Implementation of Agenda 21 and the outcomes of the World Summit on Sustainable Development;
 - (b) Follow-up to and implementation of the Mauritius Strategy for the Further Implementation of the Programme of Action for the Sustainable Development of Small Island Developing States;
 - (c) International Strategy for Disaster Reduction;
 - (d) Protection of global climate for present and future generations of mankind;

- (e) Implementation of the United Nations Convention to Combat Desertification in Those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa;
 - (f) Convention on Biological Diversity;
 - (g) Report of the Governing Council of the United Nations Environment Programme on its tenth special session.
- 6. Implementation of the outcome of the United Nations Conference on Human Settlements* (Habitat II) and strengthening of the United Nations Human Settlements Programme (UN-Habitat).
- 7. Globalization and interdependence:
 - (a) Role of the United Nations in promoting development in the context of globalization and interdependence;
 - (b) International migration and development;
 - (c) Culture and development;
 - (d) Preventing and combating corrupt practices and transfer of assets of illicit origin and returning such assets, in particular to the countries of origin, consistent with the United Nations Convention against Corruption;
 - (e) Integration of the economies in transition into the world economy.
- 8. Groups of countries in special situations:
 - (a) Third United Nations Conference on the Least Developed Countries;
 - (b) Specific actions related to the particular needs and problems of landlocked developing countries: outcome of the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation.
- 9. Eradication of poverty and other development issues:
 - (a) Implementation of the second United Nations Decade for the Eradication of Poverty (2008-2017);
 - (b) Industrial development cooperation.
- 10. Operational activities for development.